

UNITED STATES DEPARTMENT OF JUSTICE
WASHINGTON, D.C. 20530

SUPPLEMENTAL STATEMENT

*Pursuant to Section 2 of the Foreign Agents
Registration Act of 1938, as Amended*

For Six Month Period Ending June 30, 1974
(Insert date)

Name of Registrant

Registration No.

United States-Japan Trade Council

929

Business Address of Registrant

1000 Connecticut Avenue, N.W.
Washington, D.C. 20036

1 - REGISTRANT

1. Has there been a change in the information previously furnished in connection with the following:

(a) If an individual:

(1) Residence address	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(2) Citizenship	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(3) Occupation	Yes <input type="checkbox"/>	No <input type="checkbox"/>

(b) If an organization:

(1) Name	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
(2) Ownership or control	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
(3) Branch offices	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

2. Explain fully all changes, if any, indicated in Item 1.

IF THE REGISTRANT IS AN INDIVIDUAL, OMIT RESPONSE TO ITEMS 3, 4, and 5.

3. Have any persons ceased acting as partners, officers, directors or similar officials of the registrant during this 6 month reporting period? Yes ☐ No ☒

If yes, furnish the following information:

Name

Position

Date Connection
Ended

4. Have any persons become partners, officers, directors or similar officials during this 6 month reporting period? ☐ Yes ☒ No

If yes, furnish the following information:

<i>Name</i>	<i>Residence Address</i>	<i>Citizenship</i>	<i>Position</i>	<i>Date Assumed</i>
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5. Has any person named in Item 4 rendered services directly in furtherance of the interests of any foreign principal? Yes ☐ No ☐ not applicable

If yes, identify each such person and describe his services.

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6. Have any employees or individuals other than officials, who have filed a short form registration statement, terminated their employment or connection with the registrant during this 6 month reporting period?
Yes ☐ No ☒

If yes, furnish the following information:

<i>Name</i>	<i>Position or connection</i>	<i>Date terminated</i>
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7. During this 6 month reporting period, have any persons been hired as employees or in any other capacity by the registrant who rendered services to the registrant directly in furtherance of the interests of any foreign principal in other than a clerical or secretarial, or in a related or similar capacity?
Yes ☐ No ☒

If yes, furnish the following information:

<i>Name</i>	<i>Residence Address</i>	<i>Position or connection</i>	<i>Date connection began</i>
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II - FOREIGN PRINCIPAL

8. Has your connection with any foreign principal ended during this 6 month reporting period?
Yes ☐ No ☒

If yes, furnish the following information:

Name of foreign principal

Date of Termination

-
9. Have you acquired any new foreign principal¹ during this 6 month reporting period? Yes ☐ No ☒

If yes, furnish following information:

Name and address of foreign principal

Date acquired

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10. In addition to those named in Items 8 and 9, if any, list the foreign principals¹ whom you continued to represent during the 6 month reporting period.

Japanese Government

III - ACTIVITIES

11. During this 6 month reporting period, have you engaged in any activities for or rendered any services to any foreign principal named in Items 8, 9, and 10 of this statement? Yes ☒ No ☐

If yes, identify each such foreign principal and describe in full detail your activities and services:

Japanese Government - see attachment
pages 1 - 10

¹The term "foreign principal" includes, in addition to those defined in section 1(b) of the Act, an individual or organization any of whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in major part by a foreign government, foreign political party, foreign organization or foreign individual. (See Rule 100(a)(9)).

A registrant who represents more than one foreign principal is required to list in the statements he files under the Act only those foreign principals for whom he is not entitled to claim exemption under Section 3 of the Act. (See Rule 208.)

12. During this 6 month reporting period, have you on behalf of any foreign principal engaged in political activity² as defined below?

Yes ☒ No ☐

If yes, identify each such foreign principal and describe in full detail all such political activity, indicating, among other things, the relations, interests and policies sought to be influenced and the means employed to achieve this purpose. If the registrant arranged, sponsored or delivered speeches, lectures or radio and TV broadcasts, give details as to dates, places of delivery, names of speakers and subject matter.

Japanese Government

The answer to Item 11 has listed all of the activities of the registrant during the period in question. Some, but not all, of these activities constituted "political propaganda" within the meaning of the Act.

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13. In addition to the above described activities, if any, have you engaged in activity on your own behalf which benefits any or all of your foreign principals?

Yes ☐ No ☒

If yes, describe fully.

² The term "political activities" means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

IV - FINANCIAL INFORMATION

14. (a) RECEIPTS - MONIES

During this 6 month reporting period, have you received from any foreign principal named in Items 8, 9 and 10 of this statement, or from any other source, for or in the interests of any such foreign principal, any contributions, income or money either as compensation or otherwise?

Yes ☒ No ☐

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies.³

<i>Date</i>	<i>From Whom</i>	<i>Purpose</i>	<i>Amount</i>
January 30, 1974	Japanese Government, thru	For promotion of the	\$60,000.00
February 14, 1974	Japan Trade Promotion	interests of the Government	51,505.00
March 5, 1974	Office	of Japan in the fields des-	71,976.00
May 1, 1974	"	cribed in Exhibit B of the	2,000.00
May 16, 1974	"	Registration Statement	8,342.00
June 12, 1974	"	"	105,022.00

Note: In addition to the above \$31,586.69 was received from members in the form of membership dues. This sum was not received to be used in the interests of the foreign principal, but is reported here in order to make full disclosure of receipts.

Total \$298,845.00

14. (b) RECEIPTS - THINGS OF VALUE

During this 6 month reporting period, have you received any thing of value⁴ other than money from any foreign principal named in Items 8, 9 and 10 of this statement, or from any other source, for or in the interests of any such foreign principal?

Yes ☐ No ☒

If yes, furnish the following information:

<i>Name of foreign principal</i>	<i>Date received</i>	<i>Description of thing of value</i>	<i>Purpose</i>
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³ A registrant is required to file an Exhibit D if he collects or receives contributions, loans, money, or other things of value for a foreign principal, as part of a fund raising campaign. See Rule 201(e).

⁴ Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

15. (a) DISBURSEMENTS - MONIES

During this 6 month reporting period, have you

(1) disbursed or expended monies in connection with activity on behalf of any foreign principal named in Items 8, 9 and 10 of this statement? Yes ☒ No ☐

(2) transmitted monies to any such foreign principal? Yes ☐ No ☒

If yes, set forth below in the required detail and separately for each foreign principal an account of such monies, including monies transmitted, if any, to each foreign principal.

Date	To Whom	Purpose	Amount
January 1 -	Jean Choate	salary	\$7,252.74
June 30, 1974	Katsuhiro Fujiwara	"	8,091.42
"	Noel Hemmendinger	"	9,702.75
"	Eugene Kaplan	"	12,218.70
"	Susan MacKnight	"	7,175.71
"	Allan Schlosser	"	11,255.04
"	Nelson Stitt	"	10,872.57
"	H. W. Tanaka	"	3,597.93
"	Allen Taylor	"	15,238.96
"	various clerical and research personnel	"	18,027.15
"	general public relations	Scott Runkle	14,211.50
"	Charles von Lowenfeldt, Inc.	West Coast rep. and general public rel.	95,471.38
"	Donald Lerch & Co. Inc.	agricultural " "	9,607.99
"	Stitt, Hemmendinger & Kennedy	legal and research	7,200.00
"	William Dazey	South West rep.	2,400.00
"	H. Okada	For operation of the Japan Trade Promotion Ofc.	1,600.00
"	various	economic symposium	897.41
"	GHI	hospitalization	3,445.36
"	H. G. Smithy Co.	rent	10,095.00
"	various	taxes	7,424.94
"	various	books and periodicals	3,043.72
"	"	office equipment	2,179.04
"	"	general office	2,310.23
"	"	statistical data and miscellaneous services	4,191.44
"	"	travel	4,470.12
"	"	research and reports	7,570.00
"	"	pamphlets and related	20,393.13
"	"	postage and phone	13,348.38
"	"	social, memberships, etc.	6,343.13

Total \$319,635.74

15. (b) DISBURSEMENTS - THINGS OF VALUE

During this 6 month reporting period, have you disposed of anything of value⁵ other than money in furtherance of or in connection with activities on behalf of any foreign principal named in items 8, 9 and 10 of this statement?

Yes ☐ No ☒

If yes, furnish the following information:

<i>Date disposed</i>	<i>Name of person to whom given</i>	<i>On behalf of what foreign principal</i>	<i>Description of thing of value</i>	<i>Purpose</i>
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(c) DISBURSEMENTS - POLITICAL CONTRIBUTIONS

During this 6 month reporting period, have you from your own funds and on your own behalf either directly or through any other person, made any contributions of money or other things of value⁵ in connection with an election to any political office, or in connection with any primary election, convention, or caucus held to select candidates for political office? Yes ☐ No ☒

If yes, furnish the following information:

<i>Date</i>	<i>Amount or thing of value</i>	<i>Name of political organization</i>	<i>Name of candidate</i>
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V - POLITICAL PROPAGANDA

(Section 1(j) of the Act defines "political propaganda" as including any oral, visual, graphic, written, pictorial, or other communication or expression by any person (1) which is reasonably adapted to, or which the person disseminating the same believes will, or which he intends to, prevail upon, indoctrinate, convert induce, or in any other way influence a recipient or any section of the public within the United States with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party or with reference to the foreign policies of the United States or promote in the United States racial, religious, or social dissensions, or (2) which advocates, advises, instigates, or promotes any racial, social, political, or religious disorder, civil riot, or other conflict involving the use of force or violence in any other American republic or the overthrow of any government or political subdivision of any other American republic by any means involving the use of force or violence.)

16. During this 6 month reporting period, did you prepare, disseminate or cause to be disseminated any political propaganda as defined above? Yes ☒ No ☐

IF YES, RESPOND TO THE REMAINING ITEMS IN THIS SECTION V.

17. Identify each such foreign principal.

Japanese Government
Foreign Ministry
Tokyo, Japan

⁵ Things of value include but are not limited to gifts, interest free loans, expense free travel, favored stock purchases, exclusive rights, favored treatment over competitors, "kickbacks," and the like.

18. During this 6 month reporting period, has any foreign principal established a budget or allocated a specified sum of money to finance your activities in preparing or disseminating political propaganda?
Yes ☒ No ☐

If yes, identify each such foreign principal, specify amount, and indicate for what period of time.

Japanese Government

Approximately \$115,000 (estimated on basis of ratio
to total activities)

Six month period

19. During this 6 month reporting period, did your activities in preparing, disseminating or causing the dissemination of political propaganda include the use of any of the following:

☒ Radio or TV broadcasts ☒ Magazine or newspaper ☐ Motion picture films ☒ Letters or telegrams
articles

☐ Advertising campaigns ☒ Press releases ☒ Pamphlets or other ☒ Lectures or
publications speeches

☐ Other (specify) _____

20. During this 6 month reporting period, did you disseminate or cause to be disseminated political propaganda among any of the following groups:

☒ Public Officials ☒ Newspapers ☒ Libraries

☒ Legislators ☒ Editors ☒ Educational institutions

☒ Government agencies ☒ Civic groups or associations ☐ Nationality groups

☐ Other (Specify) _____

21. What language was used in this political propaganda:

☒ English

☐ Other (specify) _____

22. Did you file with the Registration Section, Department of Justice, two copies of each item of political propaganda material disseminated or caused to be disseminated during this 6 month reporting period?

Yes ☒ No ☐

23. Did you label each item of such political propaganda material with the statement required by Section 4(b) of the Act? Yes ☒ No ☐

24. Did you file with the Registration Section, Department of Justice, a Dissemination Report for each item of such political propaganda material as required by Rule 401 under the Act?

Yes ☒ No ☐

VI - EXHIBITS AND ATTACHMENTS

25. EXHIBITS A AND B

- (a) Have you filed for each of the newly acquired foreign principals in Item 9 the following:

Exhibit A⁶ Yes ☐ No ☐

Exhibit B⁷ Yes ☐ No ☐

not applicable

If no, please attach the required exhibit.

- (a) Have there been any changes in the Exhibits A and B previously filed for any foreign principal whom you represented during this six month period?

Yes ☒ No ☐

If yes, have you filed an amendment to these exhibits? Yes ☐ No ☒

If no, please attach the required amendment.

⁶ The Exhibit A, which is filed on Form OBD-67 (Formerly DJ-306) sets forth the information required to be disclosed concerning each foreign principal.

⁷ The Exhibit B, which is filed on Form OBD-65 (Formerly DJ-304) sets forth the information concerning the agreement or understanding between the registrant and the foreign principal.

26. EXHIBIT C

If you have previously filed an Exhibit C⁸, state whether any changes therein have occurred during this 6 month reporting period.

Yes ☐ No ☒

If yes, have you filed an amendment to the Exhibit C? Yes ☐ No ☐

If no, please attach the required amendment.

27. SHORT FORM REGISTRATION STATEMENT

Have short form registration statements, been filed by all of the persons named in Items 5 and 7 of the supplemental statement?

Yes ☐ No ☐ not applicable

If no, list names of persons who have not filed the required statement.

The undersigned swear(s) or affirm(s) that he has (they have) read the information set forth in this registration statement and the attached exhibits and that he is (they are) familiar with the contents thereof and that such contents are in their entirety true and accurate to the best of his (their) knowledge and belief, except that the undersigned make(s) no representation as to the truth or accuracy of the information contained in attached Short Form Registration Statement, if any, insofar as such information is not within his (their) his (their) personal knowledge.

(Type or print name under each signature)

(Both copies of this statement shall be signed and sworn to before a notary public or other person authorized to administer oaths by the agent, if the registrant is an individual, or by a majority of those partners, officers, directors or persons performing similar functions who are in the United States, if the registrant is an organization.)

Allen Taylor

Allen Taylor

Noel Hemmendinger

Noel Hemmendinger

Subscribed and sworn to before me at District of Columbia

this 7th day of September, 19 76

Jean C. Chate

(Signature of notary or other officer)

My commission expires June 30, 1977

⁸ The Exhibit C, for which no printed form is provided, consists of a true copy of the charter, articles of incorporation, association, constitution, and bylaws of a registrant that is an organization. (A waiver of the requirement to file an Exhibit C may be obtained for good cause shown upon written application to the Assistant Attorney General, Criminal Division, Internal Security Section, Department of Justice, Washington, D.C. 20530.

Answers to Questions 11 and 12

1. Council Reports

(See preface to answer to Question 11, Section 1 (Council Reports) in Supplemental Statement for period ending June 30, 1971.)

Congressional Reports

From January 1 through June 30, 1974, the Council issued 94 daily reports on Congressional activities of interest. (Nos. 1 - 94)

Council Reports

During the period, the Council prepared 44 Council Reports of a general nature. (Nos. 1 - 44)

- 1 U. S. Exports, by Commodity, January-September 1973
- 2 U. S. Imports, by Commodity, January-September 1973
- 3 Official Actions Affecting Foreign Trade, December 1 - December 31, 1973
- 4 Oil Shortage and Price Increases Threatening Japanese Economy
- 5 Pacific Northwest Conference on Agricultural Trade with Japan
- 6 Congressional Committees Begin Review of Foreign Investment in U.S.
- 7 The U.S. Energy Situation -- NAM/US Chamber Workshop on Energy
- 8 House Testimony on Japanese Energy Situation and Siberian Oil
- 9 Multinational, Multifiber Textile Agreement Concluded -- A Framework for Trade in All Textiles
- 10 U.S. Exports to Japan, by Commodity, January-September 1973
- 11 Official Actions Affecting Foreign Trade, January 1 - January 31, 1974
- 12 Foreign Investment in the United States -- the U.S. Chamber Symposium
- 13 Oil-Consuming Nations Agree on Need for Energy Cooperation
- 14 Chicago World Trade Conference
- 15 Sharp Reduction in U.S. Trade Deficit with Japan in 1973
- 16 Administration Leaders Urge Prompt Action on Trade Bill in Testimony Before Senate Finance Committee
- 17 Japan-Soviet Joint Venture in Development of Siberian Natural Resources
- 18 Conversion of Tariff Schedules into Brussels Tariff Nomenclature
- 19 Business Community Supports Trade Reform Act in Senate Testimony
- 20 Official Actions Affecting Foreign Trade, February 1 - February 28, 1974
- 21 Conversion of Tariff Schedules into Brussels Tariff Nomenclature
- 22 Japan's Trade in 1973
- 23 Labor Leaders Attack Trade Bill Before Senate Finance Committee
- 24 Tariff Commission Asked to Revoke Antidumping Finding
- 25 Conversion of Tariff Schedules into the Brussels Tariff Nomenclature
- 26 "Steel Day" at Senate Finance Committee Hearing on Trade Bill
- 27 Council Director Testifies before Senate Finance Committee as Trade Hearings End
- 28 Official Actions Affecting Foreign Trade
March 1 - March 31, 1974 and April 1 - April 15, 1974

- 29 U.S. Imports from Japan, by Commodity, January-September 1973
- 30 Official Actions Affecting Foreign Trade, April 15 - April 29, 1974
- 31 Conversion of Tariff Schedules of the U.S. into Brussels Tariff Nomenclature
- 32 A Survey of Japanese Agriculture
- 33 House Panel Concludes Hearings on Export Controls and Eximbank
- 34 Foreign Investment Complications
- 35 Official Actions Affecting Foreign Trade, April 30 - May 13, 1974
- 36 U.S. Short Supply Export Controls
- 37 New York Speech by Japanese Foreign Minister
- 38 Japan's Export Growth Due Chiefly to Price Increases
- 39 Status Report on Pending Legislation
- 40 Official Actions Affecting Foreign Trade, May 13 - May 27, 1974
- 41 Conversion of Tariff Schedules of the United States into Brussels Tariff Nomenclature
- 42 U.S. Exports and Imports, by Country, January-December 1973
- 43 Conversion of Tariff Schedules of the United States into Brussels Tariff Nomenclature
- 44 U.S. Exports, by Commodity, January-December 1973

Trade Roundups

The Council issued ten reports in a series entitled "U.S.-Japan Trade Roundup", describing activities in Congress and in the Executive agencies affecting U.S.-Japan trade. (Nos. 1 - 10)

2. Publications and Research

(See preface to answer to Question 11, Section 2 (Publications and Research) in Supplemental Statement for period ending June 30, 1971.)

Publications

Trading with Japan

A compilation of articles appearing in a special edition of the Journal of Commerce in October 1973, all emphasizing the great opportunities for American exporters in the Japanese market. 25,000 copies circulated to the Council's entire mailing list.

How the Energy Crunch Affects Japan

Council's analysis of the impact on Japan now and in the future of the latest developments in the oil situation. 25,000 copies circulated to the Council's entire mailing list.

Communication: The Key to U.S.-Japan Understanding

A pamphlet containing selected portions of a symposium held by the Council in Los Angeles last December. 15,000 copies circulated to selected portions of the Council's mailing list.

U.S.-Japan Agricultural Trade Newsletter

The spring issue of Council's semiannual newsletter directed to the agribusiness community. The leading article described the Council's Pacific Northwest conference on agricultural trade with Japan held in Portland earlier in the year. 10,000 copies distributed to the Council's agricultural mailing list. Cost to write, produce and distribute -- \$3,500.

Japanese and Americans in a New World in a New Age

A pamphlet written by John K. Emmerson and published by the Japan Information Service. Council distributed 3,500 copies to a selected portion of its mailing list.

The Oil Crisis -- Its Impact on Japan and Asia

1,500 copies of this pamphlet, published by the Japan Institute of International Affairs, were circulated by the Council as a supplement to its own pamphlet on the same subject.

Research

The following memoranda were prepared for use by the Japanese Government and the Council staff:

- More About the Changes at STR*
- The Legislative Picture
- Prospect for U.S. Export Controls
- Access by Japanese Brokerage Firms to U.S. Securities Markets
- Status Report on Trade Bill
- Committee of Twenty
- CIEP*Developments
- Multilateral Trade Negotiations
- Japanese Investment in the United States
- Export Controls and Ex-Im Bank
- The Shultz Succession
- The Shultz Succession -- Appointment of Kenneth Rush as Economic Coordinator
- Government-Business Joint Meeting on U.S.-Japan Economic Relations

During March Council submitted to the Journal of Commerce for publication in a special foreign trade issue in April an article by Nelson Stitt entitled "U.S.-Japan Trade Prospects in 1974".

* STR - Office of the President's Special Trade Representative

* CIEP - Committee on International Economic Policy

On April 1, the Journal of Commerce published a full-page article by Nelson Stitt describing the current state of U.S.-Japan relations and of the Japanese economy.

On May 20, the Daily Commercial News published a lengthy article by Eugene Kaplan, Council chief economist, on the U.S.-Japan bilateral trade balance.

During June Council provided the Embassy with a statistical report on U.S. imports of petroleum by month for the year 1972.

Research was conducted on the following subjects in preparation for Council reports and publications:

- Japan's needs for food, raw materials, and energy
- Japanese attitude toward multilateral tariff negotiations.
- New developments in the restructuring of Japanese industry because of energy requirements; prospects for Japan's balance of payments and for the economy in 1974; the declining share of Japanese exports in the U.S. market.
- Forthcoming Council testimony on the trade bill before the Senate Finance Committee.
- Proposed pamphlet on Japan's energy crisis.
- Proposed pamphlet on the realities of the Japanese economy.
- Proposed pamphlet based on the Council's Los Angeles symposium on communication: The Key to Doing Business in Japan
- Proposals for projects aimed at producing policy recommendations on U.S.-Japan relations, to be submitted to the Sumitomo Fund administered by the Japan Society of New York.

3. Representation and Lobbying

(See preface to answer to Question 11, Section 3 (Representation and Lobbying) in Supplemental Statement for period ending June 30, 1971.)

On January 17 Council Report No. 4 "Oil Shortage and Price Increases Threatening Japanese Economy" was sent to the Council's special list of key Washington officials.

On January 29 Nelson Stitt testified on foreign investment in the United States before the House Foreign Affairs Subcommittee on Foreign Economic Policy. Mr. Stitt opposed U. S. restrictions on inward investment and argued that the extent of Japanese investment in this country has been greatly exaggerated.

On March 22 Council sent to the House Committee on Foreign Affairs, at the Committee's request, answers to a series of questions about Japan-Soviet cooperation in the development of Siberian natural resources.

Council officials met regularly with the representatives of other liberal trade organizations in Washington to plan testimony and strategy on the trade bill now before the Senate.

On April 1 Council Report No. 22 "Japan's Trade in 1973" was distributed to the Council's special list of Washington key officials.

On April 9 Nelson Stitt testified before the Senate Finance Committee on the House-passed trade bill. In his statement, Mr. Stitt endorsed the grant of authority to the Executive permitting the U.S. to participate in the multilateral trade negotiations, expressed concern about certain amendments to the import relief laws, and outlined the various steps the Japanese Government has taken to liberalize its trade and investment policies.

On April 16 Council Report No. 27, containing Stitt's testimony, was circulated to key opinion makers throughout Washington.

On May 4 Congressional Quarterly published a lengthy article entitled "Japanese Lobby: The Issues are Trade and Investments". The article deals chiefly with the activities of the Embassy and the United States-Japan Trade Council in advancing Japanese interests in Washington.

On May 22 Council sent to all members of the Senate a Washington Star News editorial urging prompt action on the Trade Bill and a Wall Street Journal editorial pointing out the impact of rising prices, wages and production costs in Japan.

On May 29 Council distributed to its special Washington list of some seven hundred persons influential in trade policy decisions (members of Congress, members of the Executive Branch and some in industry) Council Report No. 37, which summarized a speech by Foreign Minister Ohira before the Japan Society of New York.

During June the Council had an exchange of correspondence with Senator Jacob Javits regarding the Japan-U.S. Friendship Act, which passed the Senate early that month. Later in the month Council Director Nelson Stitt wrote to all members of the House Foreign Affairs Committee urging their support of the bill, which established a trust fund in the Treasury for the purpose of promoting educational, scholarly and cultural exchange between the two countries.

Council Legislative Director Allan Schlosser met with several members of the House Banking and Currency Committee to convey the Council's views on pending export control and Ex-Im Bank legislation; provided the Senate Foreign Relations Committee with information on Japanese trade with the Soviet Union and Japan's negotiations with the Soviets on Siberian resource development; helped to arrange a discussion on the Senate floor (to be held in July) by senators supporting the Trade Bill; and arranged for the printing in the Congressional Record of a speech made by Ambassador Yasukawa at the University of Pittsburgh on May 30 by Rep. William Moorhead of Pennsylvania.

4. Conferences

(See preface to answer to Question 11, Section 4 (Conferences) in Supplemental Statement for period ending June 30, 1971.

On January 24 Council organized a symposium on agricultural trade with Japan in Portland, Oregon. The conference dealt with opportunities for exporting farm products from the Pacific Northwest to Japan. Nominal co-sponsors were the Oregon Department of Economic Development, Portland Chamber of Commerce,

Port of Portland, Oregon Legislative Committee on Trade, Oregon Feed Trade Association, Western Wheat Associates, Pacific Northwest International Council, Pacific Northwest Regional Commission, U.S. Dry Pea and Lentil Council, Pacific Northwest Potato Export Council, Northwest Horticultural Council. Speakers included the Japanese Ambassador and a Council official, who were afforded a forum to present the Japanese viewpoint on various issues. Other speakers included Governor Tom McCall and David Hume, Administrator of the Foreign Agricultural Service, U.S. Department of Agriculture. Approximately \$6,700 was spent on presenting this conference.

On March 11-13 Council sponsored a symposium in Atlanta on "Communication: The Key to Doing Business in Japan". Nominal co-sponsor was the Atlanta Chamber of Commerce stated as acting in cooperation with the Alabama Development Office, Alabama State Chamber of Commerce, Georgia Chamber of Commerce, Georgia Ports Authority, Kentucky Department of Commerce, Mississippi Marketing Council, North Carolina State Ports Authority, and Virginia Port Authority. The symposium consisted of two days of private discussion among ten Japan experts -- half Japanese, half American -- about the cultural, linguistic and social barriers to understanding between the two countries. On March 13, a public luncheon was held to close the conference. One of the speakers at the luncheon was a Council official, who was thus afforded a forum to present the Japanese viewpoint on the subjects discussed. The principal speaker was Orville Freeman, former Secretary of Agriculture. Approximately \$11,000 was spent on presenting this conference.

5. Speeches by Council Officials

(See preface to answer to Question 11, Section 5 (Speeches by Council Officials) in Supplemental Statement for period ending June 30, 1971.)

On January 8 Allan Schlosser addressed the Chamber of Commerce of Raleigh, North Carolina, on U.S.-Japan economic relations.

On January 10 Allen Taylor and Katsuhiko Fujiwara addressed the Industrial College of the Armed Forces in Washington on U.S.-Japan economic relations.

On January 15 Eugene Kaplan spoke to the Chamber of Commerce of Greensboro, North Carolina, on U.S.-Japan Economic Relations.

On February 7 Nelson Stitt addressed the 29th annual convention of the National Livestock Feeders' Association in Kansas City on "Japanese Interest in the U.S. Meat Industry".

On February 20-21 Katsuhiko Fujiwara spoke on Japanese economic policy at dinners in Chattanooga, Tennessee and Dalton, Georgia, both arranged by the Hamilton National Bank of Chattanooga.

On February 28 Eugene Kaplan served as chairman of a panel on Japan at a conference on multinational corporations sponsored in Washington by the Public Affairs Council.

On April 18 Katsuhiko Fujiwara addressed members of a seminar at the Industrial College of the Armed Forces on "Social, Political and Economic Affairs in Japan". The seminar group was about to make a two-week study visit to Japan.

On April 26 Eugene Kaplan addressed a luncheon meeting of the Rotary Club of Springfield, Massachusetts on U.S.-Japan trade relations.

On April 30 Allen Taylor addressed a symposium sponsored by the World Affairs Center of the University of Minnesota in St. Paul on the subject of "Japan: An Economy in Crisis?"

On June 3 Allen Taylor addressed a luncheon meeting of the Chamber of Commerce of Fresno, California on the current status of the Japanese economy.

On June 4 Mr. Taylor spoke on the same subject to a luncheon meeting of the Foreign Trade Association of Los Angeles.

6. Preparation of Speech Drafts

(See preface to answer to Question 11, Section 6 (Preparation of Speech Drafts) in Supplemental Statement for period ending June 30, 1971.)

Scott Runkle prepared a speech for delivery by Minister Yamazaki at Georgetown University.

7. Press and Media Relations

(See preface to answer to Question 11, Section 7 (Press and Media Relations) in Supplemental Statement for period ending June 30, 1971.)

Scott Runkle

Prepared a backgrounder entitled "Energy Crisis Reduces Japan's Ability to Supply, Buy From and Aid Asian Developing Countries". This resulted in columns by Marquis Childs, Bruce Blossat and Carl Rowan.

Prepared a backgrounder entitled "Fading Prospect for Trade Bill Threatens Further Erosion of U.S. Relations with Europe, Japan and Less Developed Countries". This backgrounder resulted in an editorial in the Washington Star News entitled "Urgent Support for the Trade Bill". The Council circulated the editorial to all members of the Senate.

Prepared a backgrounder entitled "Japan Weathering Economic Crisis as Confidence Arises". This resulted in a column by nationally syndicated columnist Joseph R. Slevin, headlined "Japan Creates Second Miracle".

Provided Bruce Blossat with extensive material and briefing prior to his trip to Japan. Blossat's columns from Japan appeared in hundreds of newspapers throughout the country.

Wrote a memorandum describing a series of 15 articles from Japan by syndicated columnist Bruce Blossat. The memorandum referred to the cultivation of Blossat's interest in Japan over a period of several years resulting from backgrounders, suggestions and other material supplied by Runkle, as well as the first hand knowledge and good will acquired as a result of two trips to Japan at the expense of the Japanese Government. Mr. Blossat died of a heart attack during this period.

8. Films

(See preface to answer to Question 11, Section 8 (Films) in Supplemental Statement for period ending June 30, 1971.)

Charles von Loewenfeldt

On March 29 submitted a report on his 1973-1974 pilot film strip project for elementary school children.

On April 22 submitted a memorandum outlining some considerations involved in the preparation of a proposed film on the forthcoming Japanese political campaign, for distribution to U.S. school children.

On April 23 submitted a proposal to upgrade the quality of the current film program.

On June 4 submitted a memorandum describing the initial response to an offering to U.S. school districts of the distribution of a documentary film on Japan.

During May Council wrote to a large number of school districts throughout the U.S. offering free of charge prints of a new film produced by the Council entitled "Japan in the 70's -- What's Happening". A report on the response to this offering will be included in the next report.

The following films were distributed:

The Oita Green Belt -- film clip (March 25)
Japan's Bike Boom - film clip (March 25)
Pollution: Japan's Greatest Challenge -- TV documentary (March 22)
Soybeans -- film clip (May 16)
Japan in the 70's -- film documentary (May 27)
Computer Cars - film clip (June 26)

During the period, approximately \$71,000 was spent on the film program.

9. Luncheons

(See preface to answer to Question 11, Section 9 (Luncheons) in Supplemental Statement for period ending June 30, 1971.)

On February 14 Council gave a small dinner in honor of visiting Japanese business leaders Yoshizane Iwasa and Shigeo Nagano. Leading columnists and business editors were invited to give them the opportunity of questioning the two Japanese industrialists on outstanding issues between the two countries. Those attending were Hobart Rowen (Washington Post), Milton Viorst (syndicated), Joseph Slevin (syndicated), Edwin Dale (N.Y. Times), and Bruce Blossat (syndicated).

On February 15 Council gave a luncheon for Messrs. Iwasa and Nagano, which was attended by about 40 administration officials and Washington representatives of oil companies. Japan's energy problems were the chief topic of discussion at the luncheon as well as at the dinner on the previous evening. This group of 40 consisted of members of the executive branch at the deputy assistant secretary and office director level, in the field of resources and energy; a group of congressional staff members in the same field; and a few industrial representatives with similar concerns.

10. Advice to Japanese Government

(See preface to answer to Question 11, Section 10 (Advice to Japanese Government) in Supplemental Statement for period ending June 30, 1971.)

Charles von Loewenfeldt

On January 17 submitted proposals for a public relations program for the fiscal year 1974-75.

On February 4 submitted a report on the briefing of U.S. Chamber of Commerce leaders in San Francisco prior to their departure for a two-week visit to Japan.

On February 6 submitted a report analyzing the results of the film clip project during this fiscal year.

On February 21 wrote a report on the visit to Japan of U.S. Chamber of Commerce executives.

On June 6 submitted a memorandum on the political problems caused Japan by U.S. public opinion opposing Japanese whaling practices. The memorandum contained recommendations for public relations actions.

On April 18 Council provided the Embassy with a preliminary draft of proposed legislation regarding regulation of foreign bank activities in the U. S.

On May 31 Council submitted a memorandum to the Embassy making some recommendations about the best method of dealing with the whaling controversy.

Scott Runkle

Submitted a memorandum on treatment of Japan in U.S. history books.

Submitted a memorandum on the rejection of funding of International Development Association.

Submitted a memorandum on the treatment of the energy crisis in the U.S. press.

Prepared an analysis of U.S. press coverage of Prime Minister Tanaka's trip to Southeast Asia.

Submitted a memorandum on a proposed whaling pamphlet.

11. Press Releases

(See preface to answer to Question 11, Section 11 (Press Releases) in Supplemental Statement for period ending June 30, 1971.)

On January 29 Council issued a press release on Nelson Stit's testimony before the House Foreign Affairs Committee on foreign investment in the U. S. The release pointed out the relatively minor nature of Japanese investment in this country up to the present time.

On April 9 Council issued a press release on Nelson Stitt's testimony before the Senate Finance Committee on the Trade Reform Act. The release was entitled "U.S. Shows Trade Surplus with Japan in Early 1974; Inflation, Energy Problems Cloud Japan's Trade Prospects for Future".

On June 5 Council issued a press release on the publication of its pamphlet on the effects of the energy crisis on Japan. The release was entitled "Steep Oil Price Increase Worsens Competitive Position of Japanese Products in World Markets; Need to Restructure Economy Intensified".

12. Travel to Japan

(See preface to answer to Question 11, Section 12 (Travel to Japan) in Supplemental Statement for period ending June 30, 1971.)

Bruce Blossat, columnist, travelled to Japan through Council arrangement as a guest of the Japanese Government. The approximate cost of the trip was \$2,500. Blossat wrote a series of columns while in Japan on various aspects of Japanese life.

13. Miscellaneous

Donald Lerch arranged for an address by Mr. Matsuoka to the 1974 spring meeting of the American Agricultural Editors' Association during March in Washington. The conference, which was presided over by Nelson Stitt, was followed by a news conference. Subsequently, the agricultural editors were invited to the Embassy for a reception and buffet dinner at which they discussed agricultural policy with officials of the Council and the Embassy.

During March the magazine "Textile World" published an article entitled "Why Japanese Buy into U.S. Textiles" which included a list of Japanese investments in U.S. textiles taken from a Council report.

During March the New York City Council on Economic Education circulated to all high schools in New York City the Council's pamphlet "Japan and America: How We See Each Other".

On March 25 Allen Taylor wrote a letter to the editor intended to correct what the Council felt to be a mistaken impression given by President Nixon in a TV interview that Japan's market is more closed than open to U.S. farmers. The letter was sent to all newspapers in the country with a circulation of 100,000 or more. It was widely printed; so far the Council has received clippings from eleven newspapers in all parts of the country which published the letter.

During May Council sent to foreign news editors of 75 leading U.S. newspapers copies of its pamphlet "Communication: The Key to U.S.-Japan Understanding".